

# **A & L CF JUNE (6) LIMITED**

**Registered In England & Wales  
Company Number 5161413**

## **ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED  
30 JUNE 2010**

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## **A & L CF JUNE (6) LIMITED - 5161413**

### **REPORT OF THE DIRECTORS (continued)**

#### **REPORT OF THE DIRECTORS**

The directors present their Report together with the unaudited financial statements for A & L CF June (6) Limited, Company registration number 5161413 (the "Company") for the year ended 30 June 2010

#### **PRINCIPAL ACTIVITY AND REVIEW OF THE YEAR**

The Company has not traded during the year. No significant accounting transactions, as required to be entered in the Company's accounting records by Section 386 of the Companies Act 2006, have occurred during the year under review and therefore the Company is considered to be dormant.

Key performance indicators are not considered necessary for an understanding of the development, performance or position of the business of the Company. There are no risks or uncertainties facing the Company including those within the context of the use of financial instruments.

#### **RESULTS AND DIVIDENDS**

There was no profit or loss for the year ended 30 June 2010 (2009 £1,948) and therefore the directors do not recommend the payment of a final dividend (2009 £nil).

#### **DIRECTORS**

The following persons were directors of the Company during the year, and to the date of this report, unless stated otherwise:

M W Evans	(resigned 13 August 2009)
C R Morley	(resigned 13 August 2009)
W H Paterson	(resigned 13 August 2009)
R A Hawker	(appointed 13 August 2009)
H Tyrrell	(appointed 13 August 2009)
S J Odell	(appointed 13 August 2009, resigned 4 November 2009)

No director had a material interest at any time during the year in any contract of significance with the Company (2009 none).

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the Company for that period.

In preparing these financial statements International Accounting Standard 1 requires that directors

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and

## **A & L CF JUNE (6) LIMITED - 5161413**

### **REPORT OF THE DIRECTORS (continued)**

- make an assessment of the Company's ability to continue as a going concern

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **THIRD PARTY INDEMNITIES**

Enhanced indemnities are provided to the directors of the Company by the ultimate UK parent company, Santander UK plc against liabilities and associated costs which they could incur in the course of their duties to the Company. All of the indemnities remain in force as at the date of this Report and these financial statements. A copy of each of the indemnities is kept at the registered office address of Santander UK plc.

### **AUDITORS**

The annual accounts have not been audited as the Company is entitled to the exemption from Audit under section 480 of the Companies Act 2006 relating to dormant companies and no notice under Section 476 has been deposited at the Company's registered office requiring the Company to obtain an audit of the accounts.

By Order of the Board,



Richard Hawker  
Director  
12 January 2011

Registered Office Address Building 3 Floor 2, Carlton Park, Narborough, Leicester LE19 0AL

**A & L CF JUNE (6) LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	2010 £	2009 £
Revenue		-	494
<b>GROSS PROFIT</b>		-	494
Administrative expenses		-	1,454
<b>PROFIT FROM OPERATIONS</b>		-	1,948
Finance costs	5	-	(361)
<b>PROFIT BEFORE TAX</b>	4	-	1,587
Tax	6	-	187
<b>RESULT/PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF A &amp; L CF JUNE (6) LIMITED</b>		-	1,774

All of the activities of the Company are classed as discontinued

The accompanying notes form an integral part of the accounts

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2010**

The Company has no comprehensive income or expenses attributable to the equity holders other than the result (2009 profit) for the current and previous year as set out in the Income Statement

The accompanying notes form an integral part of the accounts

**A & L CF JUNE (6) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	<b>Issued capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
Balance at 1 July 2009	1	-	1
Result for the year	-	-	-
Balance at 30 June 2010	<u>1</u>	<u>-</u>	<u>1</u>

	<b>Issued capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
Balance at 1 July 2008	1	(1,774)	(1,773)
Profit for the year	-	1,774	1,774
Balance at 30 June 2009	<u>1</u>	<u>-</u>	<u>1</u>

The accompanying notes form an integral part of the accounts

**A & L CF JUNE (6) LIMITED**  
(Company registration number 5161413)

**BALANCE SHEET**

**AS AT 30 JUNE 2010**

	Notes	2010 £	2009 £
<b>CURRENT ASSETS</b>			
Trade and other receivables	7	<u>1</u>	<u>1</u>
<b>TOTAL ASSETS</b>		<u><u>1</u></u>	<u><u>1</u></u>
<b>EQUITY</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
Issued share capital	11	<u>1</u>	<u>1</u>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF A &amp; L CF JUNE (6) LIMITED</b>		<u><u>1</u></u>	<u><u>1</u></u>

The accompanying notes form an integral part of the accounts

For the year ended 30 June 2010 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies

**Directors' Responsibilities**

- (i) The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting periods and the preparation of accounts

These accounts have been prepared in accordance with the provision applicable to companies subject to the small companies' regime

The financial statements were approved by the board of directors and authorised for issue on 12 January 2011. They were signed on its behalf by

  
Helen Tyrell  
Director

**A & L CF JUNE (6) LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	2010 £	2009 £
Result/profit for the year		-	1,774
<b>NON-CASH ADJUSTMENTS</b>			
Decrease in trade and other receivables		-	15,318
Decrease in deferred taxes		-	5,247
		-	20,565
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		-	22,339
Group relief paid		-	(4,403)
Interest paid to parent undertakings			(361)
Management charges paid to parent undertakings			(800)
		-	(5,564)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		-	16,775
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Repayment of cash advances from parent undertakings		-	(16,775)
		-	(16,775)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		-	-
Cash and cash equivalents as at 1 July		-	-
<b>CASH AND CASH EQUIVALENTS AS AT 30 JUNE</b>	<b>10</b>	-	-

The notes on pages 9 to 18 form part of these financial statements

## **A & L CF JUNE (6) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS**

The financial statements for A & L CF June (6) Limited company registration number 5161413 (the "Company"), for the year were authorised for issue on 12 January 2011 and the Balance Sheet signed on the Board's behalf by Helen Tyrrell. The Company is incorporated and domiciled in England & Wales. The Company's registered office is shown on page 3.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have also been prepared in accordance with IFRS adopted for use by the European Union (EU). The principal accounting policies adopted by the Company are set out in note 2.

Results and disclosures for the comparative year are on the same basis as the 2010 results.

#### **2. ACCOUNTING POLICIES**

##### **Accounting convention**

The Company prepares its accounts under the historical cost convention. The principal policies adopted are set out below.

##### **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. All such revenue is reported net of discounts and value added and other sales taxes.

Revenue from operating and finance leases is recognised in accordance with the Company's policy on Operating Lease Assets and Finance Lease Receivables (see below).

Up front arrangement fees on financing agreements with customers are spread on an effective interest rate basis over the expected life of that agreement.

##### **Interest expense recognition**

Interest expense on financial assets and liabilities held at amortised cost is measured using the effective interest rate method, which allocates the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

##### **Finance lease agreements**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.



# **A & L CF JUNE (6) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **2. ACCOUNTING POLICIES (continued)**

#### **Finance lease receivables**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Company's net investment in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

#### **Finance lease payables**

Assets acquired under finance leases are capitalised at the fair value at the start of the lease, with corresponding obligations being included in other liabilities. The finance lease costs charged to the income statement are based on a constant periodic rate as applied to outstanding liabilities.

#### **Operating lease assets**

Assets acquired for the purpose of renting out under operating lease agreements are capitalised and depreciation is provided at rates calculated to write off the cost of the assets, less estimated residual value, on a straight line basis over the estimated useful life.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### **Taxation**

The tax expense represents the sum of the tax currently payable and deferred income tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit before tax' as reported in the Income Statement because it excludes items of income or expenditure that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Taxable profit also includes items that are taxable or deductible that are not included in 'Profit before tax'. The Company's liability for current tax and deferred tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

## **A & L CF JUNE (6) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **2. ACCOUNTING POLICIES (continued)**

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short term deposits. Short term deposits are defined as deposits with an initial maturity of three months or less.

##### **Financial assets**

The Company classifies all its financial assets as determined at initial recognition as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

'Loans and advances to customers' are classed as Loans and Receivables. 'Net investment in finance leases and operating leases' are treated in accordance with the Company's policy on finance lease agreements.

Loans and receivables are carried at amortised cost using the effective interest rate method. Interest calculated using the effective interest rate method is recognised in the income statement.

##### **Financial liabilities**

Non-trading financial liabilities are held at amortised cost. Finance costs are charged to the income statement using the effective interest rate method.

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

##### **Impairment of financial assets**

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Company about the following loss events:

- a) significant financial difficulty of the issuer or obligor,
- b) a breach of contract, such as a default or delinquency in interest or principal payments,
- c) the Company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the Company would not otherwise consider,
- d) it becoming probable that the borrower will enter bankruptcy or other financial reorganisation,
- e) the disappearance of an active market for that financial asset because of financial difficulties, or

## **A & L CF JUNE (6) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **2. ACCOUNTING POLICIES (continued)**

##### **Impairment of financial assets (continued)**

- f) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including
  - i) adverse changes in the payment status of borrowers in the group, or
  - ii) national or local economic conditions that correlate with defaults on the assets in the group

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If there is no objective evidence of impairment for an individually assessed financial asset it is included in a group of financial assets with similar credit risk characteristics and collectively assessed for impairment.

Commercial lending is reviewed for impairment on a case by case basis for individually significant loans. Loans that are not individually significant are assessed for impairment on a portfolio basis.

Impairment is calculated based on the probability of default, exposure at default and the loss given default, using recent data. An adjustment is made for the effect of discounting cash flows.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's effective interest rate.

Financial assets are written off when it is reasonably certain that receivables are irrecoverable.

##### **Foreign currencies**

Foreign currency monetary transactions are translated into sterling using the exchange rates prevailing at the dates of the transactions, and any financial assets or liabilities are re-translated at year end exchange rates. Foreign exchange gains and losses are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

## A & L CF JUNE (6) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### 2. ACCOUNTING POLICIES (continued)

##### CHANGES TO IFRS NOT ADOPTED IN 2010 ACCOUNTS

The International Accounting Standards Board has published the following IAS, IFRS and International Financial Reporting Interpretations Committee (IFRIC) interpretations

Title	Subject	As issued by the IASB, mandatory for accounting periods starting on or after	Per the EU adopting regulation, Mandatory for accounting periods starting on or after	Endorsed or when endorsement expected
<b>IAS/IFRS standards</b>				
Amendments to IFRS 7 (October 2010)	Disclosures – Transfers of Financial Assets	1 July 2011	TBC	Quarter 2 2011
Improvements to IFRSs 2010 (May 2010)	Improvements to IFRSs 2010	See note 2 below	To be confirmed	Quarter 4 2010
IFRS 9	Financial Instruments	1 January 2013	TBC	Postponed
IAS 24 (Revised November 2009)	Related Party Disclosures	1 January 2011	TBC	Quarter 2 2010
Improvements to IFRSs 2009 (April 2009)	Improvements to IFRSs 2009	See note 1 below	1 January 2010 <sup>(1)</sup>	23 March 2010
<b>Interpretations</b>				
Improvements to IFRSs 2010 (May 2010)	Improvements to IFRSs 2010	See note 2 below	To be confirmed	Quarter 4 2010

Note 1 Improvements to IFRSs 2009 includes amendments to a number of Standards and Interpretations. The effective date of all the amendments is for annual periods beginning on or after either 1 July 2009 or 1 January 2010.

Note 2 Improvements to IFRSs 2010 includes amendments to a number of Standards and Interpretations. Except for the amendments in connection with IFRS 3 and IAS 27, the effect date of all the amendments is for annual periods beginning on or after 1 January 2011. The amendments in connection with IFRS 3 and IAS 27 are effective for annual periods beginning on or after 1 July 2010.

The Company has not elected to adopt these Standards and Interpretations early in these financial statements. The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company.

## **A & L CF JUNE (6) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF SIGNIFICANT MANAGEMENT JUDGEMENT**

Some asset and liability amounts reported in the accounts are based on management judgement, estimates and assumptions. There is a risk of significant changes to the carrying amounts for these assets and liabilities within the next financial year.

##### **Impairment Provisions**

Individual provisions are made in respect of finance and rental agreements where recovery is considered doubtful, a collective provision is made for losses which, although not specifically identified, are known to be inherent in any portfolio of lending. The provisions are deducted from the net investment in finance agreements. The charge in the income statement comprises write offs, recoveries and the net movement in provisions in the year.

##### **Effective interest rate calculations**

IAS 39 requires certain financial assets and liabilities to be held at amortised cost, with income recognised using the effective interest rate (EIR) methodology. In order to calculate EIR, the contracted repayment profile is used. If customers repay earlier than anticipated, this will generally lead to an increase in the balance sheet carrying value and a gain in the income statement.

##### **Residual values**

Residual values are estimated at the inception of lease agreements and are subsequently reviewed for impairment during the life of the lease agreements. Appropriate provisions are recognised in the income statement.

#### **4. PROFIT BEFORE TAX**

##### **Directors' emoluments**

The directors were not remunerated for their services to the Company. Directors' emoluments are borne by the ultimate UK parent company Santander UK plc. No emoluments were paid by the Company to the directors during the year (2009: £Nil).

##### **Auditors' remuneration**

In the prior year, auditors' remuneration of £3,000 was borne by the immediate parent company, Santander Asset Finance plc.

No non-audit fees were borne on the Company's behalf in either the current or preceding year.

##### **Particulars of employees**

No salaries or wages have been paid to employees, including the directors, during the year or the preceding year. The Company had no employees in either the current or the preceding year.

# A & L CF JUNE (6) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 5. FINANCE COSTS

	2010 £	2009 £
Amounts payable to immediate parent undertakings	-	361
	<u>-</u>	<u>361</u>

### 6. TAX

	2010 £	2009 £
<b>Current tax expense</b>		
Current tax charge	-	2,337
Adjustments to current tax of prior period	-	-
Current tax expense	<u>-</u>	<u>2,337</u>
<b>Deferred tax income</b>		
Relating to origination and reversal of temporary differences	-	(2,524)
Adjustments to deferred tax of prior period	-	-
Deferred tax income	<u>-</u>	<u>(2,524)</u>
Tax income for the year	<u>-</u>	<u>(187)</u>

Corporation tax is calculated at 28% (2009 28%) of the estimated assessable profit for the year  
The income for the year can be reconciled to the profit per the Statement of Comprehensive Income as follows

	2010 £	2009 £
Profit before tax	<u>-</u>	<u>1,587</u>
Tax calculated at a rate of 28% (2009 28%)	-	444
Non taxable income and disallowable expenses	-	(631)
Tax income for the year	<u>-</u>	<u>(187)</u>

# A & L CF JUNE (6) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 7. TRADE AND OTHER RECEIVABLES

	2010 £	2009 £
<b>Current</b>		
Amounts owed from parent undertakings (note 9)	1	1
<b>Total trade and other receivables</b>	<u>1</u>	<u>1</u>

### 8. CAPITAL

The Company's ultimate UK parent company Santander UK plc adopts a centralised capital management approach, based in an assessment of both regulatory requirements and the economic capital impacts of businesses in the Santander UK Group. Disclosures relating to the Company's capital management can be found in the Santander UK plc Annual Report which does not form part of this Report.

### 9. RELATED PARTY TRANSACTIONS

#### Parent undertaking and controlling party

The Company's immediate parent company is Santander Asset Finance plc (formerly Alliance & Leicester Commercial Finance plc), a company registered in England and Wales.

The Company's ultimate parent undertaking and controlling party is Banco Santander S A, a company registered in Spain. Banco Santander S A is the parent undertaking of the largest Group of undertakings for which Group accounts are drawn up and of which the Company is a member. Santander UK plc is the parent undertaking of the smallest Group of undertakings for which Group accounts are drawn up and of which the Company is a member.

Copies of all sets of Group accounts which include the results of the Company, are available from Secretariat, Santander UK plc, 2 Triton Square, Regent's Place, London, NW1 3AN.

#### Receivable from related parties

	2010 £	2009 £
Amounts owed from parent undertakings	1	1
	<u>1</u>	<u>1</u>

The Company entered into transactions with other related parties as shown in the table below.

	2010 £	2009 £
<b>Amount owed from parent undertakings</b>		
As at 1 July	1	(22,338)
Net movements	-	22,339
As at 30 June (note 7)	<u>1</u>	<u>1</u>
<b>Interest paid to parent undertakings</b>	<u>-</u>	<u>361</u>

# A & L CF JUNE (6) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 9. RELATED PARTY TRANSACTIONS (continued)

#### Key management compensation

As detailed in note 4 the Company had no employees in either the current or preceding year and the directors are remunerated through Santander Asset Finance plc therefore no key management compensation was paid by this Company

#### Administration expenses

During the current year the Company paid administrative cost recharges to parent undertakings of £Nil (2009 £800) During the prior year, the immediate parent undertaking, wrote off amounts owed by the Company of £2,254 This amount is included in administration income in the income statement

### 10. CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and cash equivalents comprise the following

	2010	2009
	£	£
Cash at bank	-	-

### 11. ISSUED SHARE CAPITAL

	2010 No	2010 £	2009 No	2009 £
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	1	1	1	1

All issued share capital is classified as equity

### 12. DEFERRED TAX LIABILITIES

	Balance sheet		Income statement	
	2010	2009	2010	2009
	£	£	£	£
<b>Deferred tax liabilities</b>				
Relating to depreciation	-	-	-	2,524
Relating to provisions	-	-	-	-
	-	-	-	2,524

The movement in the deferred tax account is as follows

	2010	2009
	£	£
At 1 July	-	5,247
Income statement credit (note 6)	-	2,524
Provision on transfer of lease agreements	-	(7,771)
At 30 June	-	-